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North Lily Mining Company

February 10, 1994

Mr. D. Wayne Hedberg
Permit Supervisor
State of Utah
Department of Natural Resources
Division of Oil, Gas, and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

RECEIVED

Feb 14 1994

DIVISION OF
OIL GAS & MINING

RE: Request for a partial bond release

Dear Mr. Hedberg:

North Lily's management has requested that I check on the possibility of DOGM releasing part of North Lily's reclamation bond. Mr. Tony Gallegos, in his memo to minerals file, dated July 21, 1993 mentioned that the Division would be willing to release a portion of the bond covering earth work (regrading and backfilling). Suggesting that the earth work generally consisted of about 50% to 80% of the bond.

North Lily would like to request that 60% (\$95,340.00) of the bond be released at this time.

Thank you for your consideration. If you have any question, please call.

Sincerely,

Paul C. Spor
General Manager